
STATUTORY INSTRUMENTS

2015 No. 1555

**The Electricity (Competitive Tenders for Offshore
Transmission Licences) Regulations 2015**

PART 17

COST RECOVERY

Recovery of tender costs

30.—(1) The Authority must recover its tender costs in relation to a tender round in accordance with these Regulations.

(2) A notice given in accordance with these Regulations by the Authority in respect of any payment or security must specify—

- (a) the amount of the payment or the nature of the security;
- (b) the date and time by which the payment is to be made or the security is to be provided; and
- (c) the manner in which it is to be made or provided.

(3) Where a developer is required to make a payment in accordance with these Regulations, and the developer is a developer group, the payment must be made by a member of the group that is a person within section 6D(2)(a) of the 1989 Act.

(4) As soon as reasonably practicable after a tender round is finished, the Authority must—

- (a) calculate its total tender costs in relation to that tender round; and
- (b) undertake an aggregation of—
 - (i) the payments made in accordance with these Regulations by a developer, bidder, qualifying bidder, preferred bidder or successful bidder and not repaid; and
 - (ii) the value of any security forfeited in accordance with these Regulations by the developer or person approved by the Authority with whom the developer has made arrangements in accordance with regulation 10(2).

(5) Where the total amount identified as a result of the aggregation undertaken in accordance with paragraph (4)(b)—

- (a) exceeds the total tender costs incurred by the Authority in respect of that tender round, paragraph (6) applies;
- (b) is less than the total tender costs incurred by the Authority in respect of that tender round, paragraph (7) applies.

(6) Where the event in paragraph (5)(a) occurs, the Authority must as soon as reasonably practicable—

- (a) repay wholly or in part, as the Authority determines is reasonable, any payment that has been made to any person in paragraph (4)(b)(i) who made the payment, including any interest which may have been accrued on the whole or part of that payment; and

(b) repay wholly or in part, as the Authority determines is reasonable, the security that has been forfeited to any person in paragraph (4)(b)(ii) who provided that security, including any interest which may have been accrued where that security provided is a monetary deposit, so as to ensure that the Authority's total tender costs have not been exceeded.

(7) Where the event in paragraph (5)(b) occurs, the Authority must, with respect to each tender exercise within the tender round, give notice to the successful bidder, or to the person granted the offshore transmission licence to which the tender exercise related, to make a payment to the Authority of an amount (if any) determined by the Authority to be reasonable for the purpose of recovering the Authority's tender costs.

(8) As soon as reasonably practicable after an offshore transmission licence has been granted to the successful bidder in respect of a particular qualifying project, the Authority must release any security that has not been forfeited to any person in paragraph (4)(b)(ii) who provided that security, including any interest which may have been accrued where that security provided is a monetary deposit.